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price depends on marginal utility tacitly ignores the effects of inequality. The term "vendibility" points to the dominant position of the price at which the last item is sold, and makes no implication concerning the satisfactions secured by the person who pays this price" (p. 123). In the discussion of elasticity and inelasticity of demand, the phrase "elasticity of demand is unity" is applied to the case in which the total spent for a commodity remains unaltered irrespective of price changes. The increased precision of statement thus made possible will be welcomed by all users of the text. C. E. P.

WEBER, M. *Grundriss der Sozialökonomik*. III. Abt. I *Die Wirtschaft und die gesellschaftlichen Ordnungen und Mächte*. (Tübingen: Mohr. 1921. Pp. viii, 180. 26.40 M.)

WORMS, R. *La sociologie: sa nature, son contenu, ses attachés*. (Paris: Giard. 1921. Pp. 164. 5 fr.)

Political Economy Club founded in London, 1821: Centenary volume. (London: Macmillan. 1921. 21s.)

Der wirtschaftliche Wiederaufbau. (Berlin: K. Block. 1921. 90 M.)

Economic History and Geography

Il Fallimento della Politica Annonaria. By UMBERTO RICCI. (Florence: "La Voce." 1921. Pp. 493.)

Among the books which look back upon the period of the war and seek to assess the policies and conduct of those in charge of our governments, this work may take today an important place. Whether its moral was or was not in the author's mind before he undertook his study—its critics would surely say that it was—the book collects and interprets so many precise data of a significant sort that it may fairly claim to be reckoned with.

First discarding popular explanations of the cause of high prices, the author points to the increased issue of paper money in Italy and the reduced store of commodities, covering familiar ground in describing their evil effects. He then sets about to dissect unsparingly the powers of both national and provincial governments for remedying a situation for which he regards the national government as largely to blame. The provincial governments, when they forbade exportation of various goods to other provinces, brought about a waste of goods and reduced the utility to be derived therefrom. When the central government granted favors to consumers' coöperatives, which were trying to fight the middlemen, it indicated its preference for inexpert as against expert management. In general, every act of interference by the state soon had to be followed by more interference. Every enforced reduction in the price of an article tended to increase the consumption of it directly or indirectly and to decrease the production of it.

The system of rationing he especially attacks. It required or at least involved a meddlesome control over crops. It compelled a leveling of tastes—not, for instance, till the very end of the war were desirable exceptions made in the interest of the sick—and an equalization of quantities consumed. The well-to-do could always evade the laws by eating as often as they wished at restaurants. While one person might have more meat and less sugar than he wished, another would have more sugar and less meat. Consumers turned to substitutes, the increased demand for which sent their prices up to a height much beyond that reached by comparable commodities. To illustrate this situation the author cites impressive figures.

Largely, the book is an attack on the bureaucracy, the numbers of whom were enormously increased in the war time. They were careless, incompetent, inexperienced; the machine of which they formed a part became too complicated to manage. Meat, cereals, etc., got lost, went into hiding; expensive methods were devised to recover them. While goods were in the government's mismanaging hands, loss and deterioration ensued. Hence the consumer's rightful expectations were not met. Whoever violated the rules was subject to various penalties, costly to administer and ineffective.

The effects on producers were not less disturbing. Their costs remaining high while the prices of their products were fixed, they lessened production of the very things most in request. Prices are interdependent. Every blow is reflected. Calves were killed young, though secrecy was necessary, or a lie. When the price of olive oil, the food, was fixed low, more oil was diverted to industrial uses. Farm hands could not be forced to work and would turn to other employments when wages were threatened. In agriculture, in shipping, on the railroads, government control brought annoyance and disorganization. Contradictory orders appeared when control became excessive and got out of hand. A law, for example, permitted the exportation of cheese, if an amount twice as great was imported. A dealer could import 10,000 quintals if he could prove that he had exported 5,000, and could export 5,000 if he could prove that he had imported 10,000! The remedy for this absurdity proved almost as bad as the absurdity itself.

In general, the service of supplying what the people needed was costly, because bungling. The rural sections, in particular, were burdened for the sake of the city; producers were persecuted and production fell. The corruption of the bureaucracy took on many forms. The initial error, however, and the constant error, was that the government insisted on drastic control when a system of economic liberty, especially for the fixing of prices, would have been of vastly greater benefit to the people.

Carefully as the book is written, skilful as its arguments are, its